

# Appendix C – Relocations

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## **C1 - INTRODUCTION**

Environmental Planners and consultants who prepare community impact assessment studies for Caltrans should have a basic understanding of the relocation laws and provisions with which the Department works. It should be understood at the outset that relocation assistance is fairly complex. This appendix is general in nature and is not intended to be a complete statement of federal and state relocation laws and regulations. Any questions concerning relocation should be addressed to Caltrans right-of-way staff. This section provides some general descriptive information on Public Law (PL) 91-646, the [Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended in 1987](#). This is often referred to simply as the "Uniform Act." The information in this Appendix is provided only as background and is not intended as a complete statement of all the state or federal laws and regulations; for specific details the planner should contact the appropriate Caltrans District Right-of-Way Relocation Branch. After presenting an outline of the basic legal foundation for relocation policy, this appendix looks at important relocation assistance information, including advisory services and the payment program. Refer to the [Caltrans Right of Way Manual Chapter 10](#), for more detailed and specific information regarding relocation and housing programs. Also, see the following Caltrans brochures for information regarding relocation assistance for businesses and farms, mobile homes, and residences:

- [Business Relocation Brochure \(pdf\)](#)
- [Mobile Home Relocation Assistance Program \(pdf\)](#)
- [Relocation Assistance for Residential Relocation \(English\) \(pdf\)](#)

## **C2 - DECLARATION OF POLICY**

"The purpose of this title is to establish a *uniform policy for fair and equitable treatment* of persons displaced as a result of federal and federally assisted programs in order that such persons *shall not suffer disproportionate injuries* as a result of programs designed for the benefit of the public as a whole."

The Fifth Amendment to the U.S. Constitution states, "No Person shall...be deprived of life, liberty, or property, without due process of law, nor shall private property be taken for public use without just compensation." The Uniform Act sets forth in statute the due process that must be followed in real property acquisitions involving federal funds. Supplementing the Uniform Act is the government-wide single rule for all agencies to follow, set forth in 49 Code of Federal Regulations, Part 24. Displaced individuals, families, businesses, farms, and nonprofit organizations may be eligible for relocation advisory services and payments, as discussed below.

## **C3 - FAIR HOUSING**

The Fair Housing Law (Title VIII of the Civil Rights Act of 1968) sets forth the policy of the United States to provide, within constitutional limitations, for fair housing. This Act, as amended, makes discriminatory practices in the purchase and rental of most residential units illegal. Whenever possible, minority persons shall be given reasonable opportunities to relocate to any available housing regardless of neighborhood, as long as the replacement dwellings are

decent, safe, and sanitary and are within their financial means. This policy, however, does not require Caltrans to provide a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling.

Any persons to be displaced will be assigned to a relocation advisor, who will work closely with each displacee in order to see that all payments and benefits are fully utilized, and that all regulations are observed, thereby avoiding the possibility of displacees jeopardizing or forfeiting any of their benefits or payments. At the time of the first written offer to purchase, owner-occupants are given a detailed explanation of the state's relocation services. Tenant occupants of properties to be acquired are contacted soon after the first written offer to purchase, and also are given a detailed explanation of the Caltrans Relocation Program. To avoid loss of possible benefits, no individual, family, business, farm, or nonprofit organization should commit to purchase or rent a replacement property without first contacting a Caltrans relocation advisor.

#### **C4 - RELOCATION ASSISTANCE ADVISORY SERVICES**

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, Caltrans will provide relocation advisory assistance to any person, business, farm, or nonprofit organization displaced as a result of the acquisition of real property for public use. Caltrans will assist displacees in obtaining comparable replacement housing by providing current and continuing information on the availability and prices of both houses for sale and rental units that are "decent, safe, and sanitary." Nonresidential displacees will receive information on comparable properties for lease or purchase (see below for business, farm, and nonprofit organization relocation services).

Residential replacement dwellings will be in equal or better neighborhoods at rents or prices within the financial ability of the individuals and families displaced, and reasonably accessible to their places of employment. Before any displacement occurs, comparable replacement dwellings will be offered to displacees that are open to all persons regardless of race, color, religion, sex, national origin, and consistent with the requirements of Title VIII of the Civil Rights Act of 1968. This assistance will also include the supplying of information concerning federal and state assisted housing programs, and any other known services being offered by public and private agencies in the area.

Persons who are eligible for relocation payments and who are legally occupying the property required for the project will not be asked to move without first being given at least 90 days written notice. Occupants eligible for relocation payment(s) will not be required to move unless at least one comparable "decent, safe, and sanitary" replacement residence, available on the market, is offered to them by Caltrans.

#### **C5 - RESIDENTIAL RELOCATION PAYMENT PROGRAM**

The Relocation Payment Program will help eligible residential occupants by paying certain costs and expenses. These costs are limited to those necessary for, or incidental to, the purchase or rental of the replacement dwellings and actual reasonable moving expenses to a new location within 50 miles of the displacement property. Any actual moving costs in excess of the 50 miles are the responsibility of the displacee. The Residential Relocation Program can be summarized as follows:

### Moving Costs

Any displaced person, who lawfully occupied the acquired property, regardless of the length of occupancy in the property acquired, will be eligible for reimbursement of moving costs. Displacees will receive either the actual reasonable costs involved in moving themselves and personal property up to a maximum of 50 miles, or a fixed payment based on a fixed moving cost schedule.

### Purchase Supplement

In addition to moving and related expense payments, fully eligible homeowners may be entitled to payments for increased costs of replacement housing.

Homeowners who have owned and occupied their property for 180 days or more prior to the date of the first written offer to purchase the property, may qualify to receive a price differential payment and may qualify to receive reimbursement for certain nonrecurring costs incidental to the purchase of the replacement property. An interest differential payment is also available if the interest rate for the loan on the replacement dwelling is higher than the loan rate on the displacement dwelling, subject to certain limitations on reimbursement based upon the replacement property interest rate. Rental Supplement

Tenants who have occupied the property to be acquired by Caltrans for 90-179 days prior to the date of the first written offer to purchase may qualify to receive a rental differential payment. This payment is made when Caltrans determines that the cost to rent a comparable “decent, safe, and sanitary” replacement dwelling will be more than the present rent of the displacement dwelling. As an alternative, the tenant may qualify for a down payment benefit designed to assist in the purchase of a replacement property and the payment of certain costs incidental to the purchase, subject to certain limitations noted under the “Down Payment” section below. In addition to the occupancy requirements, in order to receive any relocation benefits the displaced person must buy or rent and occupy a “decent, safe, and sanitary” replacement dwelling within one year from the date the Department takes legal possession of the property, or from the date the displacee vacates the displacement property, whichever is later.

### Down Payment

The down payment option has been designed to aid owner occupants of 90-179 days and tenants with no less than 90 days of continuous occupancy prior to Caltrans first written offer. The down payment and incidental expenses cannot exceed the maximum payment of \$5,250. The one year eligibility period in which to purchase and occupy a “decent, safe, and sanitary” replacement dwelling will apply.

### Last Resort Housing

Federal regulations (49 CFR 24) contain the policy and procedure for implementing the Last Resort Housing Program on federal-aid projects. Last Resort Housing benefits are, except for the amounts of payments and the methods in making them, the same as those benefits for standard residential relocation as explained above. Last Resort Housing has been designed primarily to cover situations where a displacee cannot be relocated because of lack of available comparable replacement housing, or when the anticipated replacement housing payments exceed the \$5,250 and \$22,500 limits of the standard relocation procedure, because either the displacee lacks the

financial ability or other valid circumstances. In certain exceptional situations, Last Resort Housing may also be used for tenants of less than 90 days.

After the first written offer to acquire the property has been made, Caltrans will, within a reasonable length of time, personally contact the displacees to gather important information, including the following:

- Preferences in area of relocation;
- Number of people to be displaced and the distribution of adults and children according to age and sex;
- Location of school and employment;
- Specific arrangements needed to accommodate the special needs of any family member(s); and
- Financial ability to relocate into comparable replacement dwelling which will adequately house all members of the family.

#### ***C6 - NONRESIDENTIAL RELOCATION ASSISTANCE PROGRAM***

The Nonresidential Relocation assistance Program provides assistance to businesses, farms, and nonprofit organizations in locating suitable replacement property, and reimbursement for certain costs involved in relocation. The Relocation Advisory Assistance Program will provide current lists of properties offered for sale or rent, suitable for a particular business's specific relocation needs. The types of payments available to eligible businesses, farms, and nonprofit organizations are searching and moving expenses, and possibly reestablishment expenses or a fixed in lieu payment instead of any moving, searching and reestablishment expenses. The payments types can be summarized as follows:

##### ***Moving Expenses***

Moving expenses may include the following actual, reasonable costs:

- The moving of inventory, machinery, equipment and similar business-related property; dismantling; disconnecting; crating; packing; loading; insuring; transporting; unloading; unpacking; and reconnecting of personal property.
- Loss of tangible personal property provides payment for actual, direct loss of personal property that the owner is permitted not to move.
- Expenses related to searching for a new business site, up to \$1,000 for reasonable expenses actually incurred.

##### ***Reestablishment Expenses***

Reestablishment expenses related to the operation of the business at the new location, up to \$10,000 for reasonable expenses actually incurred.

##### ***Fixed In Lieu Payment***

A fixed payment in lieu of moving, searching, and reestablishment payments, may be available to businesses which meet certain eligibility requirements. This payment is an amount equal to the

average annual net earnings for the last two taxable years prior to the relocation and may not be less than \$1,000 or more than \$20,000.

### ***C7 - ADDITIONAL INFORMATION***

Reimbursement for moving costs and replacement housing payments are not considered income for the purpose of the Internal Revenue Code of 1954, or resources for the purpose of determining the extent of eligibility of a displacee for assistance under the Social Security Act, local “Section 8” Housing Programs, or other federal assistance programs.

Any person, business, farm, or nonprofit organization which has been refused a relocation payment by the Caltrans relocation advisor or believes that the payment(s) offered by the agency are inadequate, may appeal for a special hearing of the complaint. No legal assistance is required. Information about the appeal procedure is available from the relocation advisor.

California law allows for the payment for lost goodwill that arises from the displacement for a public project. A list of ineligible expenses can be obtained from Caltrans right-of-way staff. California's law and the federal regulations covering relocation assistance provide that no payment shall be duplicated by other payments being made by the displacing agency.